

**MINUTES OF REGULAR MEETING  
OPEN SESSION  
November 10, 2011  
ILLINOIS GAMING BOARD  
CHICAGO, ILLINOIS**

NOTE: ITEMS IN **BOLDFACE PRINT** REFLECT OFFICIAL BOARD ACTIONS

On Thursday, November 10, 2011 a Regular Meeting of the Illinois Gaming Board (“Board”) was held on the 3<sup>rd</sup> floor at 160 N. LaSalle, Chicago, Illinois.

On Thursday, November 10, 2011 at approximately 10:00 A.M. the following Board members were present: Chairman Jaffe, Members Z. Scott, Maribeth Vander Weele, Michael Holewinski and Lee Gould . At 10:15 A.M. on Thursday, November 10, 2011, Chairman Jaffe called the meeting to order. Pursuant to Section 2(c), paragraphs (1), (14) and (21) of the Open Meetings Act and Section 6(d) of the Riverboat gambling Act, Member Scott moved that **the Board retire to Closed Session to discuss the items listed under Closed Session on today's agenda and relating to the following subject matters:**

- 1. Personnel matters;**
- 2. Investigations concerning applicants and licensees; and**
- 3. Closed session minutes.**

Member Holewinski seconded the motion. The Board approved the motion unanimously by voice vote.

The Board remained in Closed Session until approximately 1:15 P.M. The Board recessed and went into open session at 2:10 P.M. Present were the following: Chairman Jaffe, Members Z. Scott, Maribeth Vander Weele, Michael Holewinski and Lee Gould.

**APPROVAL OF MINUTES**

Member Vander Weele moved that **the Board approve the open session minutes of its Regular Meeting of September 13 and 14, 2011**. Member Holewinski seconded the motion. The Board approved the motion unanimously by roll call vote.

**CHAIRMAN'S REPORT/COMMENTS –**

Chairman Jaffe introduced the new Board Members and welcomed them. The Chairman also commented on the gaming expansion bill.

**BOARD MEMBERS' COMMENTS –**

## **ADMINISTRATOR'S REPORT –**

Administrator Ostrowski stated the next Video Gaming Board meeting will be held on November 28, 2011 and the Riverboat/Video Regular Board meeting will be held on December 15, 2011 in Chicago. The Administrator also stated that under Policy Items the Rulemaking will be removed until the December, 2011 meeting.

The Administrator also commented that Rivers Casino's AGR for the month of September was \$30M.

## **OWNER LICENSEE ITEMS**

- Item for Initial Consideration –
  - Midwest Gaming & Entertainment, LLC – Waiver of the Two-Meeting Rule for Approval of Modification to the Organizational Structure of Clairvest Group and its Affiliated Entities

Pursuant to Section 260 of the Board's Adopted Rules, Member Gould **moved to waive the two-meeting rule required by Section 105(e) of the Board's Adopted Rules to permit Midwest Gaming & Entertainment, LLC to present its request for approval of modifications to Clairvest Group's and its affiliated entities' organizational structure with respect to their investment in Midwest Gaming & Entertainment, LLC.** Member Vander Weele seconded the motion. The Board approved the motion unanimously by roll call vote.

## **OWNER LICENSEE ITEMS**

- Midwest Gaming & Entertainment, LLC – Approval of Modification to the Organizational Structure of Clairvest Group and its Affiliated Entities

Based on staff's investigation and recommendation, and pursuant to Section 230(d)(1) of the Board's Adopted Rules, Member Gould **moved to approve Midwest Gaming & Entertainment, LLC's request to modify Clairvest Group's and its affiliated entities' organizational structure with respect to their investment in Midwest Gaming & Entertainment, LLC.** Member Vander Weele seconded the motion. The Board approved the motion unanimously by roll call vote.
- Des Plaines Development Limited Partnership (DDLP) d/b/a Harrah's Joliet Casino & Hotel – License Renewal

Based on a review of staff's investigation and recommendation, Member Scott **moved that the Board approve the Owner's License of Des Plaines Development Limited Partnership d/b/a Harrah's Joliet Casino & Hotel for a term of four years retroactive to September, 2011 and expiring in September 2015.**

**Furthermore, staff recommends that the Board designate the following individuals and positions as Key Persons of DDLP:**

- 1. Hamlet Holdings, LLC;**
- 2. Caesars Entertainment Corporation;**
- 3. Caesars Entertainment Operating Company, Inc.;**
- 4. Harrah's Illinois Corporation;**
- 5. Des Plaines Development Corporation;**
- 6. Managing Member, Hamlet Holdings, LLC;**
- 7. Chief Executive Officer, Caesars Entertainment Corporation;**
- 8. President, Caesars Entertainment Corporation;**
- 9. Senior Vice President, General Counsel and Chief Regulatory and Compliance Officer, Caesars Entertainment Corporation;**
- 10. Chief Executive Officer, Caesars Entertainment Operating Company, Inc.;**
- 11. President, Caesars Entertainment Operating Company, Inc.;**
- 12. President, Harrah's Illinois Corporation;**
- 13. Director, Harrah's Illinois Corporation;**
- 14. Director of Internal Audit, Midwest Region;**
- 15. John Q. Hammons;**
- 16. Gary W. Loveman;**
- 17. Christy Rodriguez;**
- 18. John Payne;**
- 19. Timothy Donovan;**
- 20. Leon Black;**
- 21. David Bonderman;**
- 22. Jonathan Coslet;**
- 23. James Coulter;**
- 24. Joshua Harris; and**
- 25. Marc Rowan.**

Member Holewinski seconded the motion. The Board approved the motion unanimously by roll call vote.

The Chairman stated the Board will be watching Harrah's Joliet very closely and is very concerned with the corporate staff.

- Des Plaines Development Limited Partnership (DDLP) d/b/a Harrah's Joliet Casino & Hotel – Edgar C. Domingo, Vice President/Finance – Level One

Based on staff's investigation and recommendation, Member Scott moved that **the Board approve Edgar C. Domingo as an Occupational Licensee Level One in the position of Vice President of Finance & Administration at the Des Plaines Development Limited Partnership d/b/a Harrah's Joliet Casino &**

**Hotel in Joliet, Illinois.** Member Holewinski seconded the motion. The Board approved the motion unanimously by roll call vote.

- Alton Gaming Company d/b/a Argosy Casino Alton - License Renewal

Based on a review of staff's investigation and recommendation, Member Holewinski moved that **the Board approve the Owner's License of the Alton Gaming Company d/b/a Argosy Casino Alton for a term of 4 years retroactive to October, 2011 and expiring in October 2015.**

**Furthermore, staff recommends that the Board designate the following individuals and positions as Key Persons of Alton Gaming Company:**

1. Penn National Gaming, Inc.;
2. Argosy Gaming Company;
3. FIF V PFD, LLC;
4. Chairman of the Board/CEO, Penn National Gaming, Inc.;
5. President/COO, Penn National Gaming, Inc.;
6. Senior Vice President of Regional Operations, Penn National Gaming, Inc.;
7. Vice President of Internal Audit, Penn National Gaming, Inc.;
8. Regional Internal Audit Director, Penn National Gaming, Inc.;
9. Director, FIF V PFD, LLC;
10. Peter M. Carlino;
11. Timothy Wilmott;
12. Wesley Edens;
13. John Finamore;
14. Gregg W. Hart; and
15. Kyle Martin.

Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

- Elgin Riverboat Resort d/b/a Grand Victoria Casino – RBG LP Phase II Restructuring

Based on a review of staff's investigation and recommendation and pursuant to Section 3000.230(d)(1)(D) of the Board's Adopted Rules, Member Vander Weele moved that **the Board approve Elgin Riverboat Resort's request for approval of the second phase of its ownership restructuring of RBG, LP.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

- Midwest Gaming & Entertainment, LLC d/b/a Rivers Casino – Des Plaines – Greg Carlin, Chief Executive Officer, Rush Street Gaming, LLC – Level One

Based on staff's investigation and recommendation, Member Gould moved that **the Board approve Greg Carlin as an Occupational Licensee Level One of Midwest Gaming & Entertainment, LLC in the position of Chief Executive Officer for Rush Street Gaming, LLC at Rivers Casino-Des Plaines in Des Plaines, Illinois.** Member Holewinski seconded the motion. The Board approved the motion unanimously by roll call vote.

- Midwest Gaming & Entertainment, LLC d/b/a Rivers Casino – Des Plaines – David G. Patent, Chief Operating Officer of Rush Street Gaming, LLC – Level One

Based on a review of staff's investigation and recommendation, Member Gould moved to **approve David G. Patent as an Occupational Licensee Level One of Midwest Gaming & Entertainment, LLC in the position of Chief Operating Officer of Rush Street Gaming, LLC at Rivers Casino-Des Plaines in Des Plaines, Illinois.** Member Scott seconded the motion. The Board approved the motion unanimously by roll call vote.

- The Rock Island Boatworks, Inc. d/b/a Jumers Casino & Hotel – Therrin Protze, President, Executive Vice President and COO – Level One and President of DNC Gaming & Entertainment of Illinois, Inc. – Key Person – **MOTION CLARIFICATION**

Based on a review of staff's investigation and recommendation, Member Scott moved that **the Board clarify its motion of August 24, 2011 to reflect that Therrin Protze is approved as an Occupational Licensee Level One in the position of President, Executive Vice President and COO for The Rock Island Boatworks, Inc. d/b/a Jumers Casino & Hotel in Rock Island, Illinois.** Member Gould seconded the motion. The Board approved the motion unanimously by roll call vote.

## **SUPPLIER LICENSEE ITEM**

- Bally Gaming, Inc. – License Renewal

Based on a review of staff's investigation and recommendation, Member Holewinski moved that **the Board renew the Supplier's license of Bally Gaming, Inc. for a term of 4 years retroactive to October, 2011 and expiring in October 2015.**

**Furthermore, staff recommends that the Board designate the following individuals and positions as Key Persons of Bally Gaming, Inc.:**

1. **Bally Technologies, Inc.;**

2. **Alliance Holding Company;**
3. **Bally Gaming International, Inc.;**
4. **Chief Executive Officer of Bally Gaming, Inc.;**
5. **President/Chief Operating Officer, Bally Gaming, Inc.;**
6. **Richard M. Haddrill; and**
7. **Ramesh Srinivasan.**

Additionally, based on a review of staff's investigation and recommendation, Member Holewinski moved that **the Board approve Bally Gaming, Inc. to supply Electronic Gaming Devices to Illinois Owner Licensees.** Member Scott seconded the motion. The Board approved the motion unanimously by roll call vote.

- NRT Technology Corporation – License Renewal

Based on a review of staff's investigation and recommendation, Member Vander Weele moved that **the Board renew the Supplier's license of NRT Technology Corporation for a term of 4 years retroactive to October, 2011 and expiring in October 2015.**

**Furthermore, staff recommends that the Board designate the following individuals and positions as Key Persons of NRT Technology Corporation:**

1. **Dominet Corporation;**
2. **President/CEO, NRT Technology Corporation; and**
3. **John Dominelli.**

Additionally, based on a review of staff's investigation and recommendation, I move that **the Board approve NRT Technology Corporation to supply ticket and redemption kiosks to Illinois Owner Licensees.** Member Scott seconded the motion. The Board approved the motion unanimously by roll call vote.

### **OCCUPATIONAL LICENSES APPROVALS & DENIALS – LEVEL 2s & 3s**

Based on staff's investigation and recommendation, Member Gould moved that **the Board find suitable and approve 180 applications for an Occupational License, Level 2, and 258 applications for an Occupational License, Level 3.**

Further, Member Gould moved that **the Administrator issue a Notice of Denial to the following individuals who received notice that staff intended to recommend denial of their license applications and either did not respond or did not provide additional information which rebutted the recommendations:**

1. **William W. Wonders, III;**
2. **Jorge D. Casiano;**

- 3. Oronzo DiFronzo;**
- 4. Timothy Keith Evitts;**
- 5. Francesco Masellis;**
- 6. James Patrick Mitchell;**
- 7. Jacob Nissan;**
- 8. Christopher Nowak;**
- 9. Jerry W. Reaves;**
- 10. Tracy Allen Richardson;**
- 11. Neo Skywalker;**
- 12. Iaisha Spears;**
- 13. Phillip Weinberg; and**
- 14. David A. Zimmerman.**

Member Scott seconded the motion. The Board approved the motion unanimously by roll call vote.

- Based on staff's investigation, Member Scott moved that **the Board find Barbara Chapman suitable for licensing and approve her application for an Occupational License, Level 2.** Member Holewinski seconded the motion. Members Gould and Vander Weele opposed the motion. Chairman Jaffe was in favor of the motion. The motion passed 3 to 2.
- Based on staff's investigation, Member Scott moved that **the Board find Michael M. McNulty suitable for licensing and approve his application for an Occupational License, Level 2.** Member Holewinski seconded the motion. The Board approved the motion unanimously by roll call vote.

Member Gould stated that it is the duty of the occupational licensee to disclose all information on their records.

#### **PROPOSED COMPLAINTS AND DISCIPLINARY ACTIONS –**

- Nikya M. Hughes – Occupational Licensee

Based on staff's investigation and recommendation, Member Holewinski moved that **the Board issue a Disciplinary Complaint against Nikya M. Hughes, an Occupational Licensee, for failing to disclose all material changes in information to the Board.**

Further, Member Holewinski moved that **the Board fine Nikya M. Hughes \$250.00. Said fine not to be paid directly or indirectly by the Owner Licensee and said action to take effect twenty-one (21) days from the date of service of the complaint unless the Licensee files an Answer within that time period.** Member Scott seconded the motion. The Board approved the motion unanimously by roll call vote.

- Michael Powyszynski – Occupational Licensee

Based on staff's investigation and recommendation, Member Vander Weele moved that **the Board issue a Disciplinary Complaint against Michael Powyszynski, an Occupational Licensee, due to his admission of accepting payment from patrons for valet parking, entering "No Sale" on the register and pocketing the money for himself.**

Further, Member Vander Weele moved that **the Board revoke Michael Powyszynski's Occupational License. Said action to take effect twenty-one (21) days from the date of service of the complaint unless the Licensee files an Answer within that time period.** Member Holewinski seconded the motion. The Board approved the motion unanimously by roll call vote.

#### **ADMINISTRATIVE HEARING/ALJ REPORT –**

- Request for Hearing – Jason Adam Branch

Based on the review of staff's investigation and recommendation, Member Gould moved that **Jason Adam Branch's request for a hearing be denied based on the fact that he has offered no facts that establish a prima facie case.** Member Scott seconded the motion. The Board approved the motion unanimously by roll call vote.

- Request for Hearing – Gretchen Caruthers

Based on the review of staff's investigation and recommendation, Member Gould moved that **Gretchen Caruthers' request for a hearing be denied based on the fact that she has offered no facts that establish a prima facie case.** Member Vander Weele seconded the motion. The Board approved the motion unanimously by roll call vote.

- Request for Hearing – Erika Vanessa House

Based on the review of staff's investigation and recommendation, Member Gould moved that **Erika Vanessa House's request for a hearing be denied based on the fact that she has offered no facts that establish a prima facie case.** Member Vander Weele seconded the motion. The Board approved the motion unanimously by roll call vote.

- Request for Hearing – Howard Rubin

Based on the review of staff's investigation and recommendation, Member Gould moved that **Howard Rubin's request for a hearing be denied based on the fact that he has offered no facts that establish a prima facie case.** Member Scott

seconded the motion. The Board approved the motion unanimously by roll call vote.

- Request for Hearing – Danielle M. Wosik

Based on the review of staff's investigation and recommendation, Member Gould moved **that Danielle M. Wosik's request for a hearing be denied based on the fact that she has offered no facts that establish a prima facie case.** Member Scott seconded the motion. The Board approved the motion unanimously by roll call vote.

- In The Matter of the Disciplinary Action Of Adam Pugsley, DC-11-07

Pursuant to section 3000.1155 of the Adopted Rules, Member Scott moved **for the adoption and entry of a Final Board Order adopting the Administrative Law Judge's Order granting the Board's Motion for Summary Judgment, and thereupon revoking the Occupational License held by Adam Pugsley.** Member Vander Weele seconded the motion. The Board approved the motion unanimously by roll call vote.

At 3:00 P.M. Chairman Jaffe motioned to adjourn and Member Holewinski seconded the motion. All Members voted in favor of adjournment.

Respectfully submitted,

Mary C. Boruta  
Secretary to the Administrator